

Mr. Chief Justice, Governor Bryant, Speaker McCoy, fellow state officials, members of the Congressional Delegation, Ladies and Gentlemen of the Legislature, other distinguished guests and friends:

Four years ago Marsha and I were here to accept the highest honor the people of Mississippi can bestow, and it was humbling, challenging and exhilarating all at once. It was an unbelievable day for Marsha, our sons and me.

Looking back today it seems impossible that everything that has happened since that Inaugural Day could have taken place in only four years.

Only four years ago our state had some serious problems. We were the worst state in the country for lawsuit abuse, and it was causing a health care crisis; the State Treasury had sunk into the deepest hole in our history, a \$720 million budget shortfall in only one year; and we suffered a net loss of 38,000 jobs in just four years. We were going backwards.

Today we're doing better because we're moving forward together.

We've passed comprehensive tort reform, and doctors have quit leaving the state. We've controlled spending, recovered from the shortfall and enjoyed three consecutive years of budget surpluses. Today, the State's Rainy Day Fund has been built back up to some \$270 million. And we did it without raising anybody's taxes.

A major result of the progress we've made is a surge of job creation. We have record employment in Mississippi today; more people working than at any time in our 190 year history . . . a net gain of nearly 50,000 jobs in these four years . . . and thousands more jobs in the pipeline.

We replenished the Rainy Day Fund, but we didn't do it by shortchanging our priorities. In these past four years there have been record increases in state spending for all three levels of public education: our top priority.

Standing on this platform four years ago I knew tort reform, budget responsibility, improving education and job creation would top the agenda for my administration and the Legislators elected in 2003. You knew it, too. Yet we had no inkling that these major challenges would pale by comparison to the greatest challenge Mississippi has faced since the Civil War . . . Hurricane Katrina.

Obviously no one could have known we'd bear the brunt of the worst natural disaster in America history. And when it happened nearly two and a half years ago, I didn't realize this awful catastrophe, something you wouldn't wish on your worst enemy, would actually do more to improve Mississippi's image than anything that has happened in my lifetime; or that in the wake of the devastation, there would come more opportunity for our state to move forward than any living generation of Mississippians has known.

And we are moving forward, together. That is a demonstrable fact: Witness record employment; Toyota and other huge economic development projects; more importantly, pride and confidence in our state is headed strongly in the

right direction, even as we cautiously watch the national economy and recognize we live in a dangerous world that hovers near instability, generating both security and economic concerns.

Why is it Mississippians are so optimistic about our state and its future? After generations of the rest of the country holding Mississippi in such low regard, how is it the image of Mississippians has improved so much across the country and around the world?

The answers to both questions – our own optimism and pride plus a vastly improved image among others – arise out of the same revelation, which occurred in the days and weeks after Katrina obliterated the Coast, crushed much of South Mississippi and carried its fury and hurricane-force winds 240 miles inland.

You see, Katrina, this worst natural disaster in American history, revealed the spirit and character of the people of Mississippi . . . or, more accurately put, Mississippi's response to Katrina revealed that character and spirit.

It was revealed that we are strong, resilient, self-reliant. . . courageous and compassionate. Knocked flat, Mississippians didn't look for somebody to blame; they didn't whine or mope; Mississippians aren't into victimhood. Instead they got up, hitched up their britches and went to work . . . went to work helping themselves and helping their neighbors.

While many people rightly observed that the news media covered New Orleans far more than our Coast, they covered Mississippi enough for the

country to see the spirit and character of our people. And the country and world liked what they saw.

Time and again after the storm, business people, leaders in Washington and governors of our sister states told me, “Haley, you gotta be proud of your people.” How could you not be proud of such people; you have to admire such spirit and character, which was revealed not only to the country and the world, but I believe it was also a revelation to us, about ourselves.

Campaigning in 2003 I often told crowds that Mississippi was the most underestimated state in the country and Mississippians the most underestimated people, but I asked people to remember that the worst consequences came when it was we who underestimated ourselves, which we so often did.

I urged people to raise their expectations for Mississippi and to lift their horizons for their communities. I asked people to seize the moment so many times that Marsha got sick of hearing it.

But we are gathered together today when our expectations have been raised, and Mississippians are most optimistic and hopeful about our future than at any time in memory.

Having seen the spirit and character of our citizens, revealed in the most trying circumstances, we have every reason to be confident of our ability not only to endure but to prevail, as Mr. Faulkner said in Stockholm more than a half century ago.

Our new and altogether appropriate confidence doesn't mean there are no problems, that everything is perfect. That is not true and never will be on this earth.

The Legislature and Administration, local governments and the private sector do and will face enormous challenges arising out of formidable problems: We have record employment, but an unusually large number of our adult citizens choose not to work or seek employment; our schools are better and better-funded than ever, but the dropout rate is far too high and too many students graduate without the academic skills needed for college or to successfully meet the challenges of the modern workforce.

Toyota's choosing Mississippi and the other big, cutting edge manufacturers who followed suit are tremendously exciting milestones; but many citizens are in low-paying jobs because they lack the skills needed in high-tech, high-quality, high-paying jobs. While the number of Mississippians with private health insurance jumped by tens of thousands the last two years, there are half a million here who have no health care coverage, and many of them work for small businesses, the backbone of the Mississippi and American economies.

Much of the state has the strongest economy and the highest employment ever, but some areas still suffer, especially in the Delta and Southwest Mississippi, where we must not only improve education and workforce skills but also combat and reduce the scourge of illegitimacy. It is virtually

impossible for significant economic progress to take root where there is major decline in the family.

Yes, we have problems to solve, and some of them are not only difficult but deeply ingrained and long standing.

Yet, we are better prepared and more able to deal with these issues than ever before. We also have more opportunities to build on than ever before; and we've demonstrated we can solve problems and take advantage of opportunities at the same time. We've been doing it for the last two and a half years since Katrina.

Perhaps most of all in that period of time, we've quit underestimating ourselves; Mississippi's image nationally and worldwide has improved dramatically. Now we must not only continue to seize this moment, but also accelerate efforts that speak to our core values: create more new, higher-paying, better jobs; complete the Katrina recovery and boldly pursue the rebuilding and renewal of the Coast, bigger and better than ever;; speed up upgrades in education, especially in student achievement and readiness to work; keep our people's and business' taxes low and the environment in the state favorable to economic growth and job creation; expand the number of people with health insurance and continue to provide quality care to those who are unable to take care of themselves; make our streets safer and our families stronger.

There is much to do these next four years, including things we cannot foresee now, just as we never foresaw Katrina.

We have every reason to be confident; we have cause to be bold. Unlike most states we have been required by a Greater Power to look down deep inside ourselves, and what was revealed to us – the spirit and character of Mississippi – gives us every reason to believe in ourselves, our state and our people.

We are moving forward together with powerful results. Together we can expand this progress, build on these successes, and seize opportunities previous generations of Mississippians never dreamed of.

Together we can and together we will.

God bless you all, and God bless Mississippi and our country.